

USAID

12 March

“Economic and Demographic
Impact of HIV/AIDS”

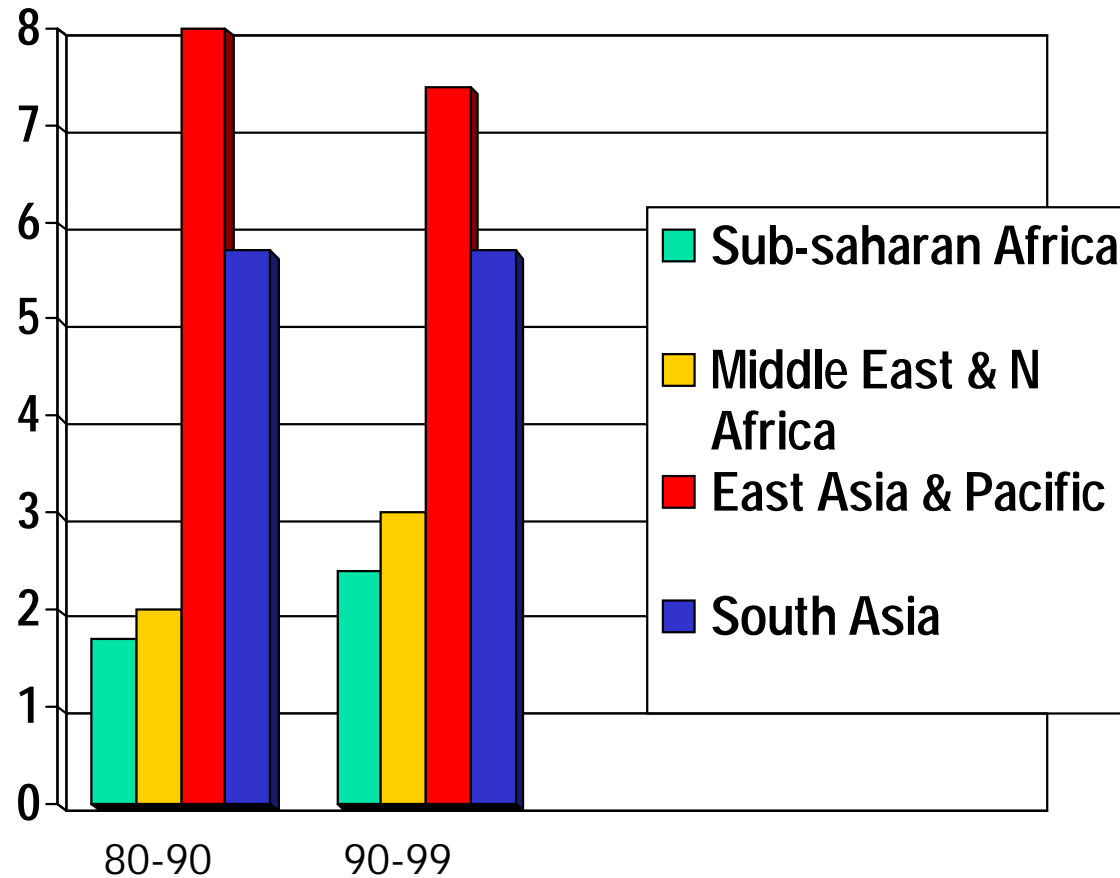
Professor Alan Whiteside

Director

**Health Economics and HIV/AIDS Research
Division**

University of Natal, Durban

Growth in Gross Domestic product (%)






World Bank, World Development Report, 2000/01

Africa



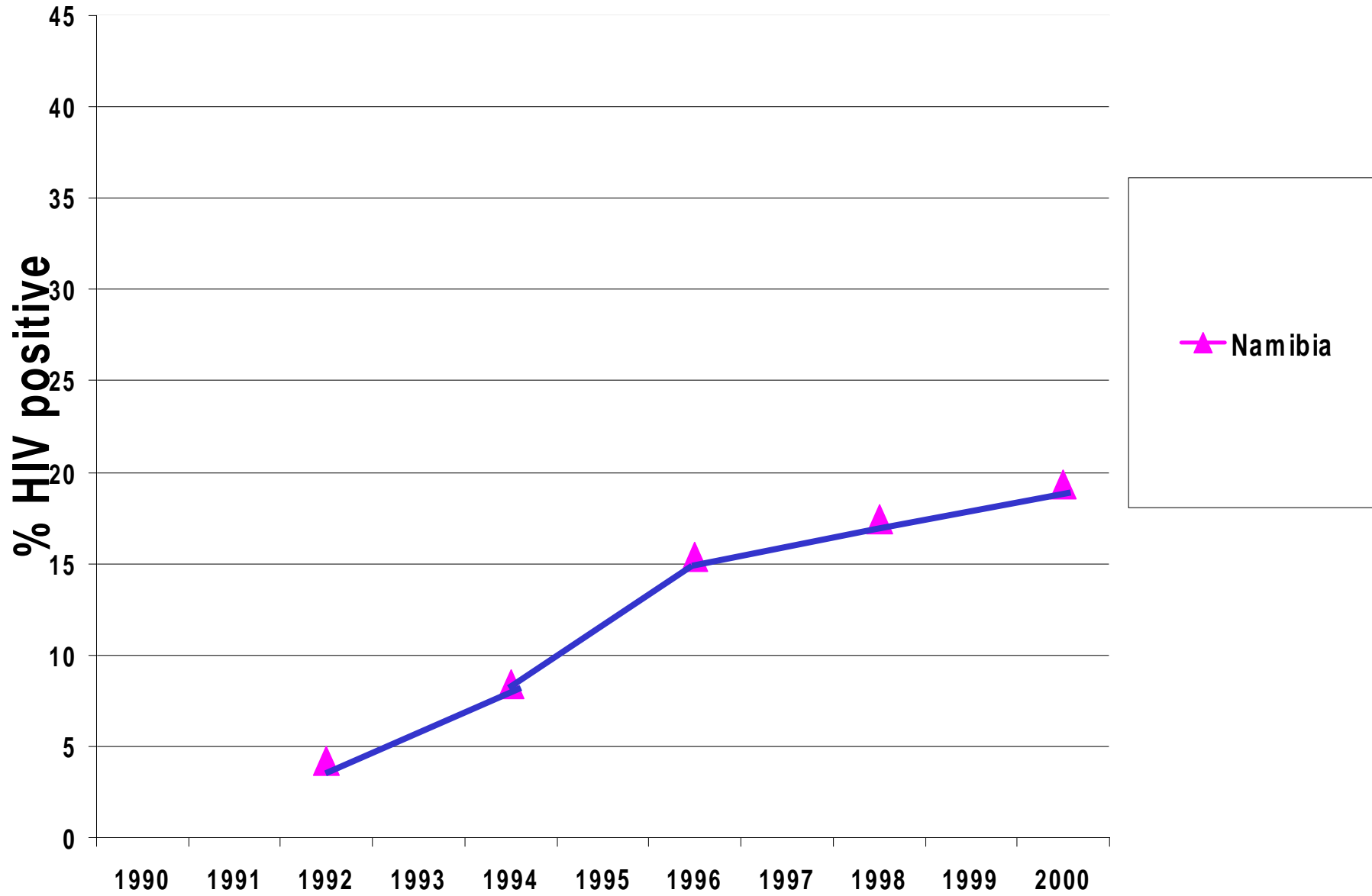
Key

-  Dysfunctional states
-  Major conflict
-  Involvement in conflict

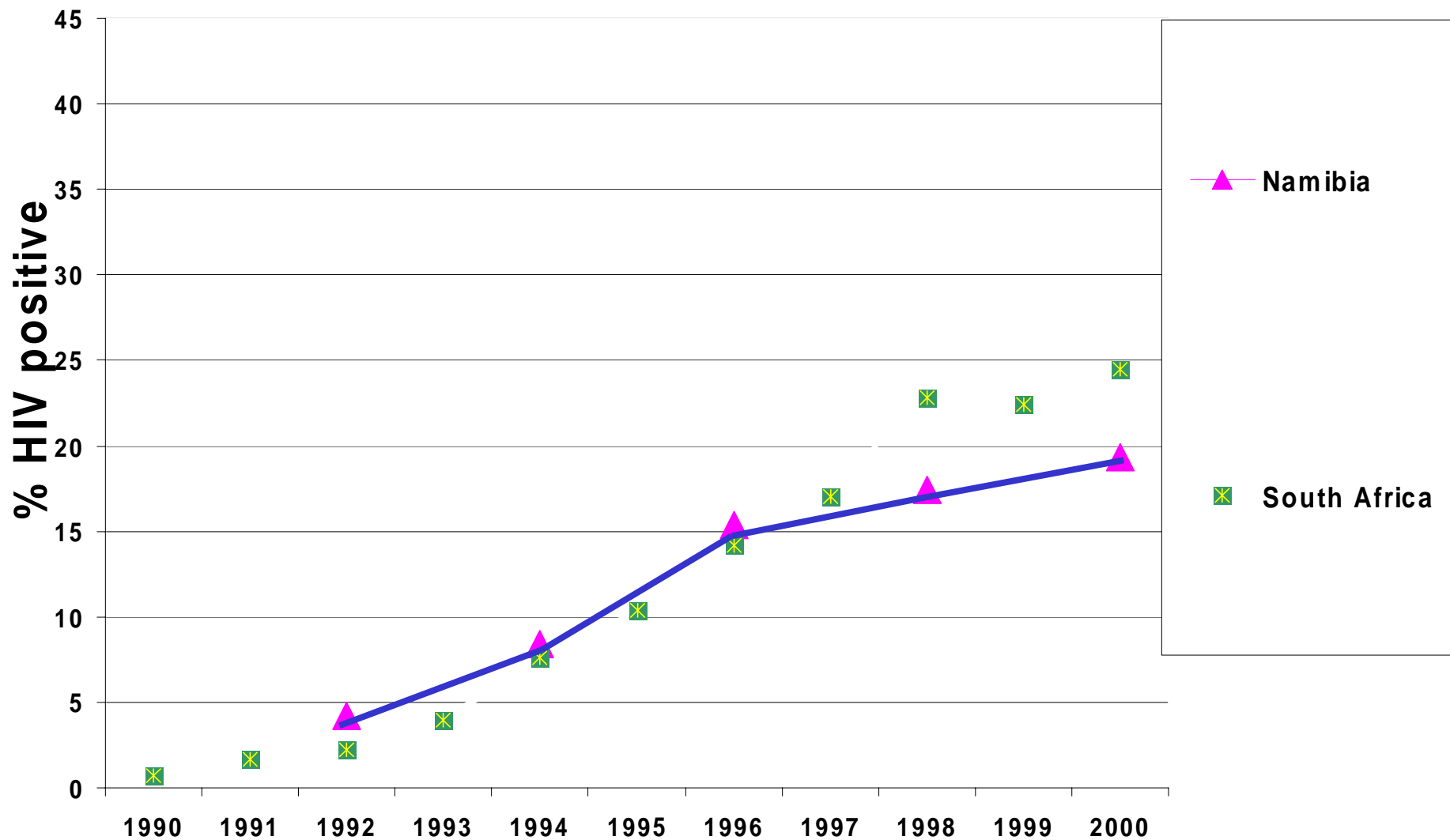
Outline of the presentation

- Introduce the epidemic in Southern Africa
- Two Epidemic Curves
- What we do and don't know Demographic and Economic consequences
- An agenda for action

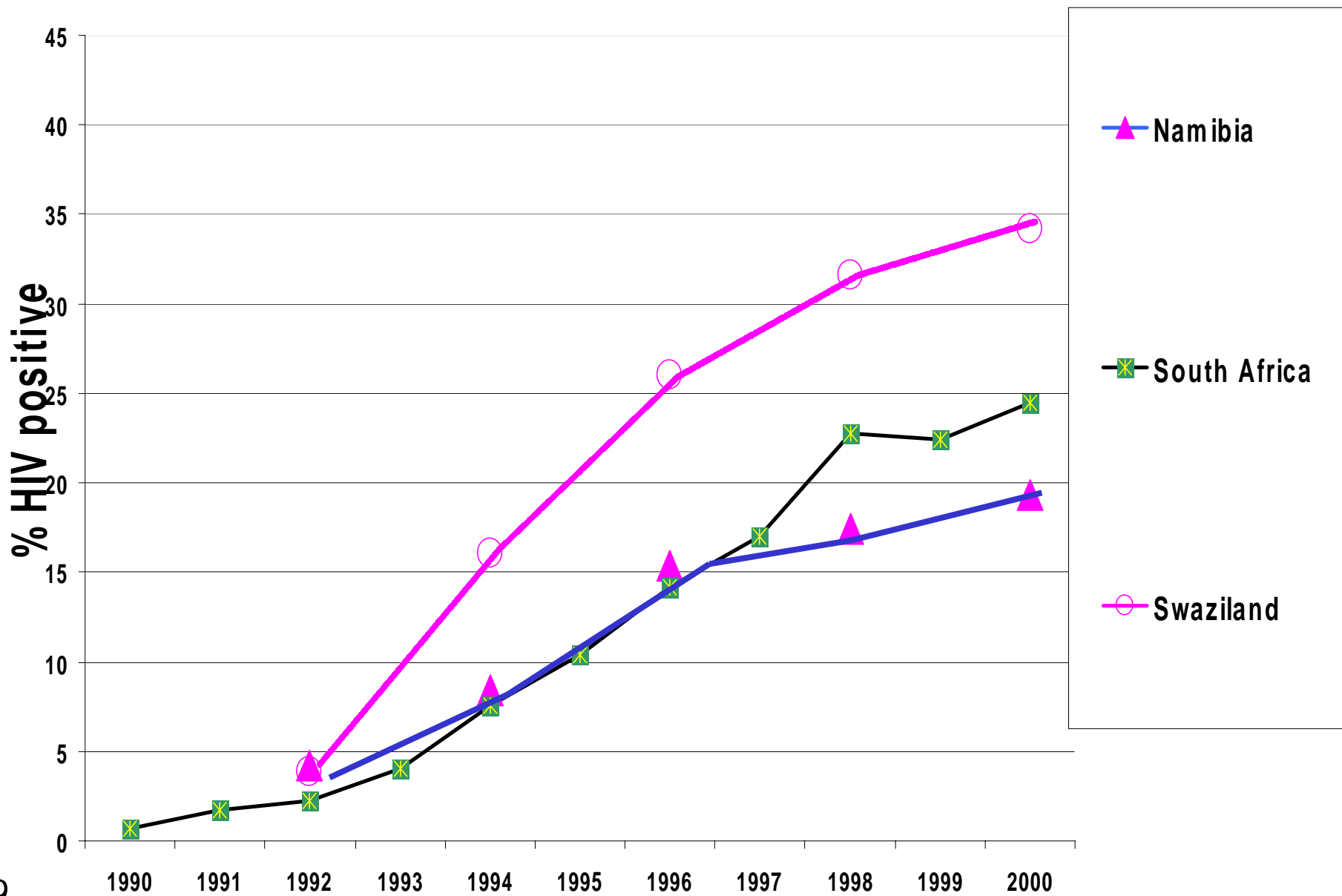
National trends in HIV prevalence



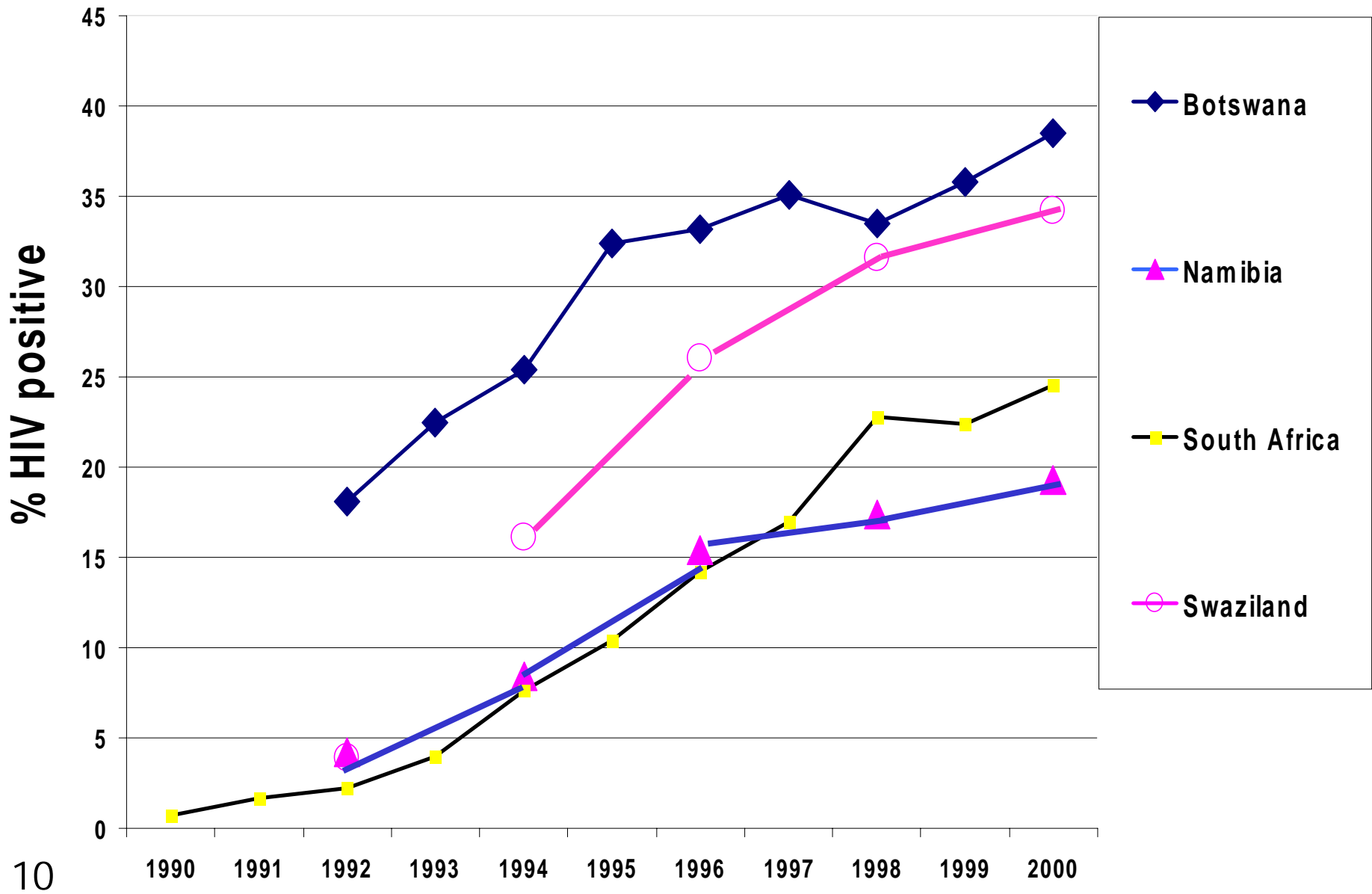
National trends in HIV prevalence



National trends in HIV prevalence

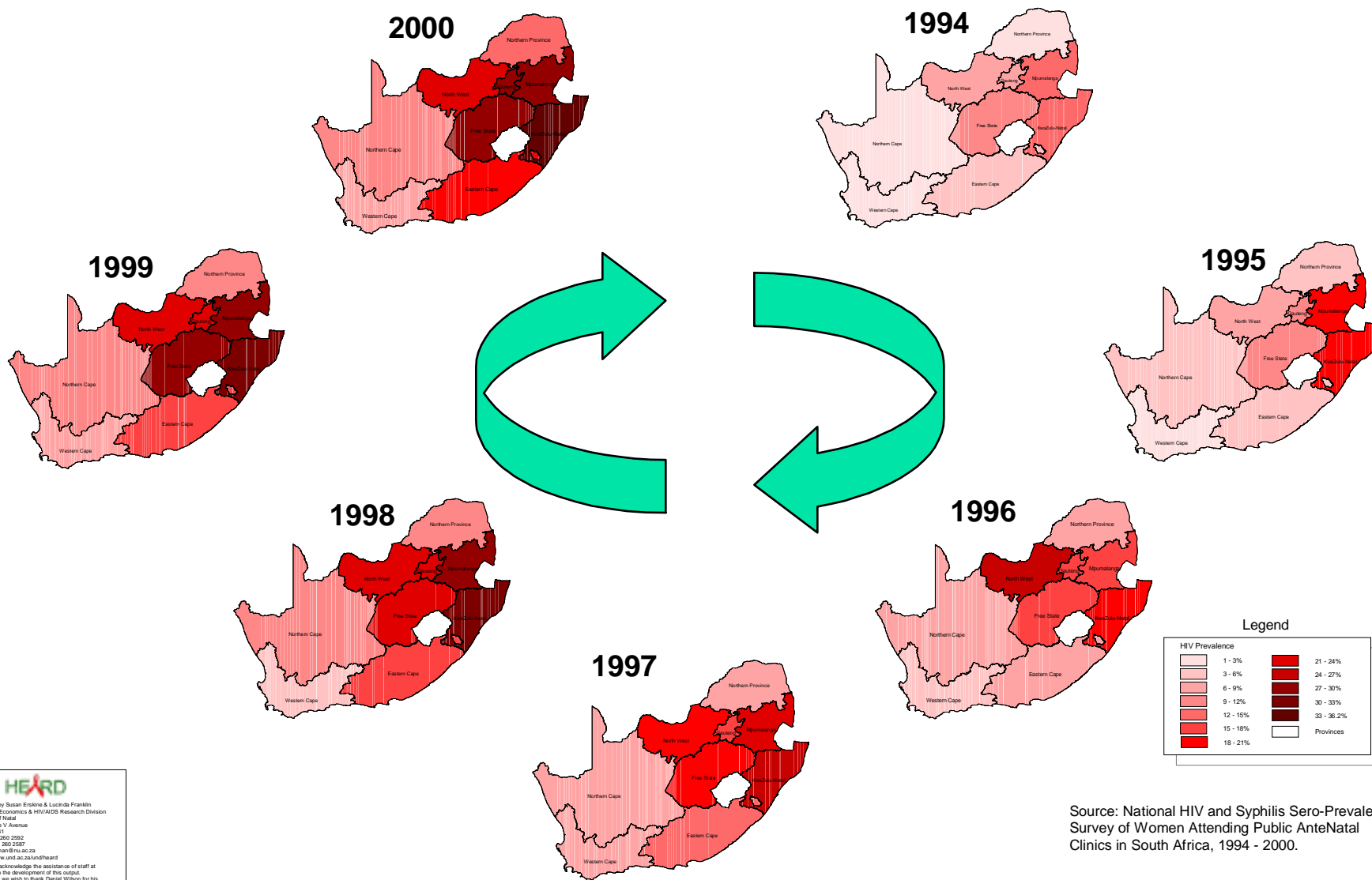


National trends in HIV prevalence



Progression of HIV Prevalence in South Africa

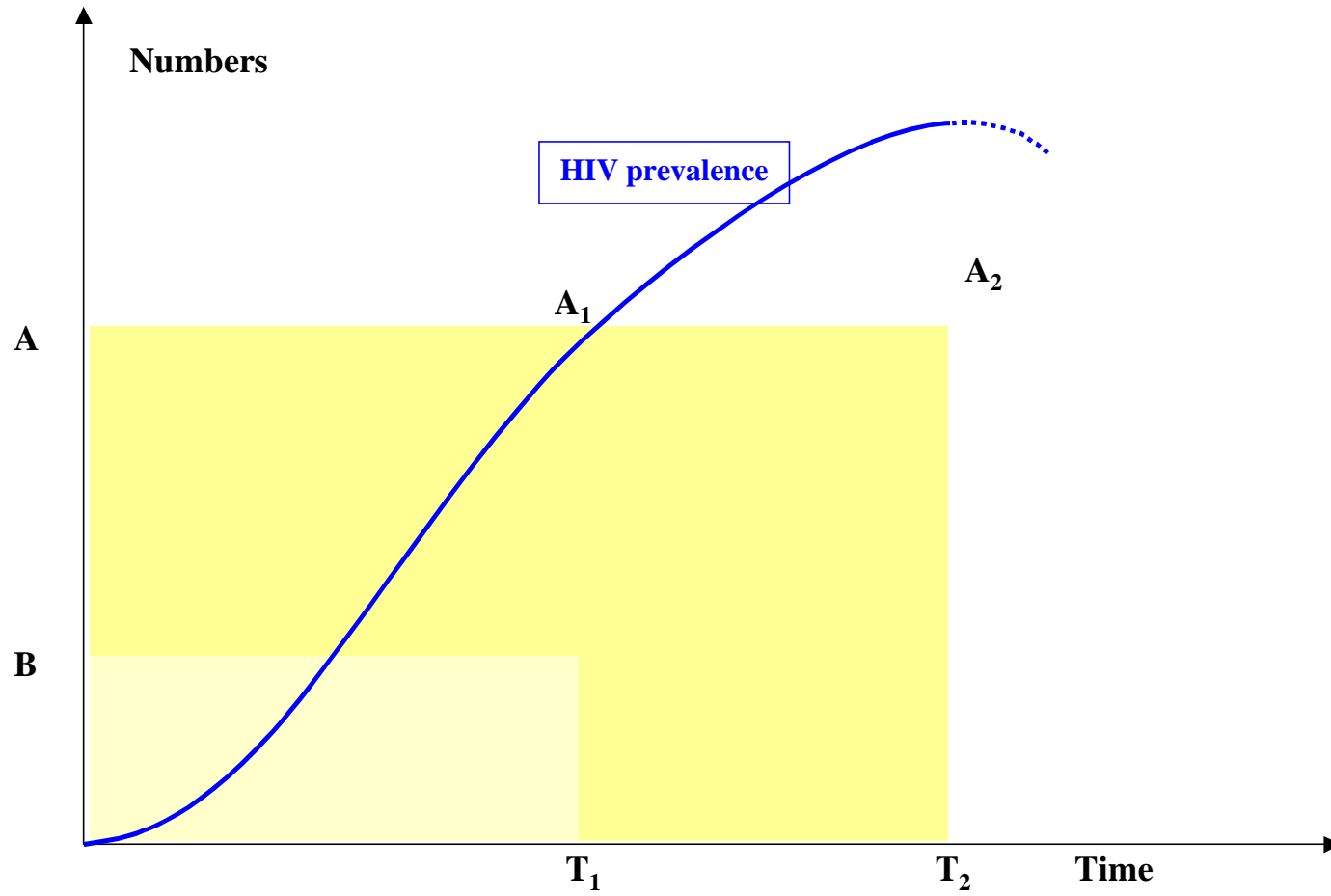
Trends Amongst Provincial AnteNatal Clinic Attendees, 1994-2000



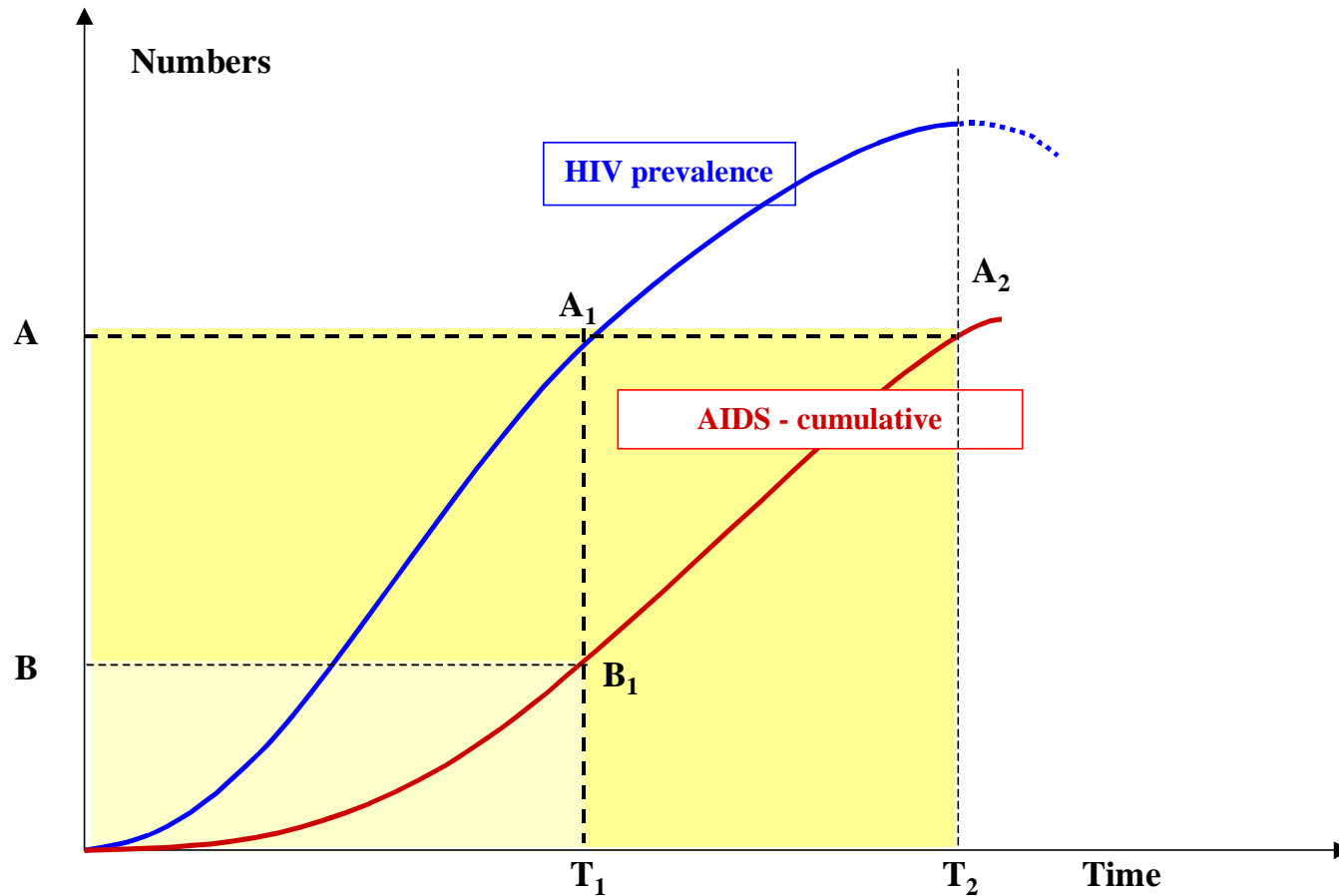
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 We wish to acknowledge the assistance of staff at
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 In particular, we wish to thank Daniel Wilson for his
 invaluable guidance, time and provision of resources.

Source: National HIV and Syphilis Sero-Prevalence Survey of Women Attending Public AnteNatal Clinics in South Africa, 1994 - 2000.

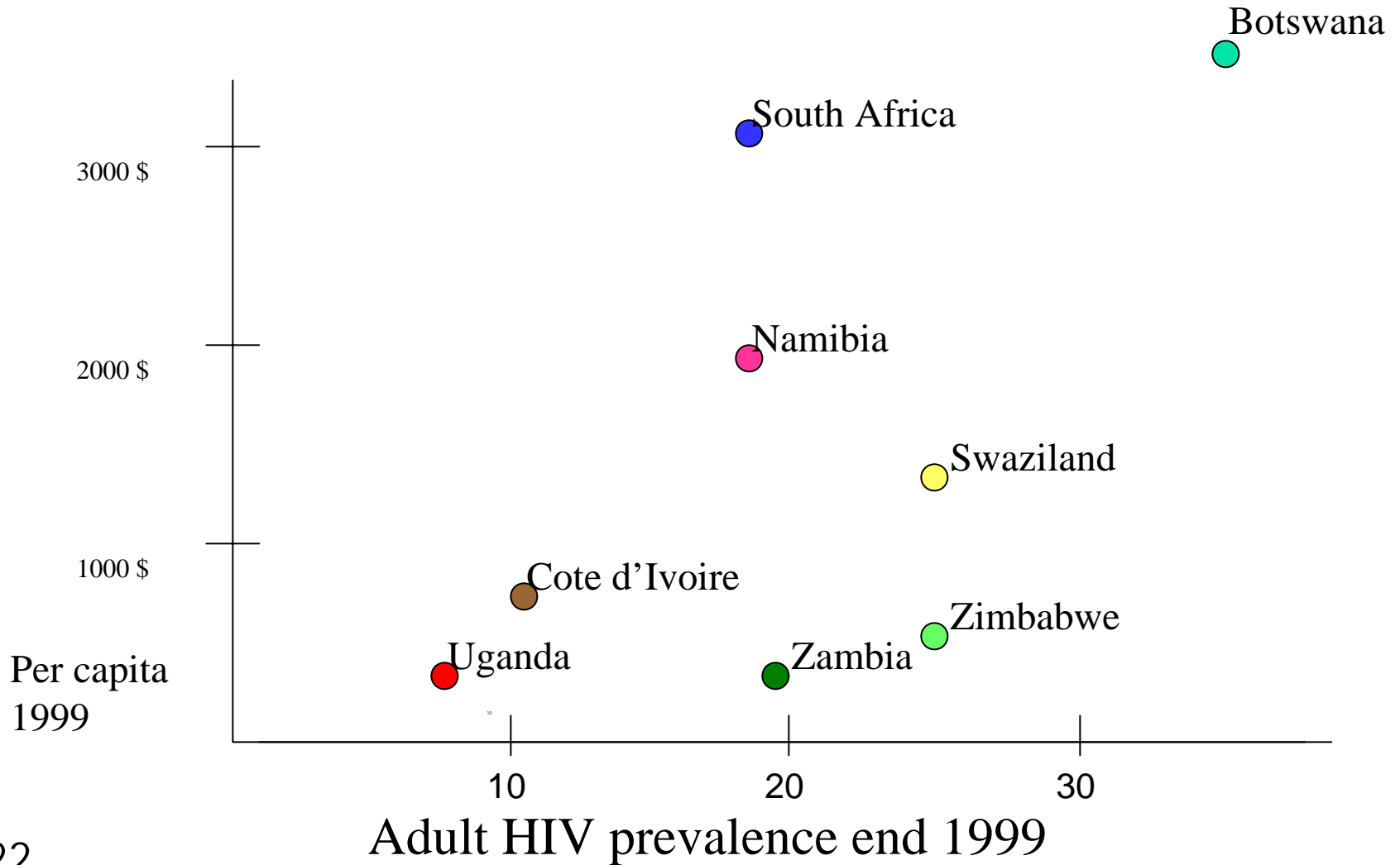
Epidemic Curve, HIV



Epidemic Curves, HIV and AIDS

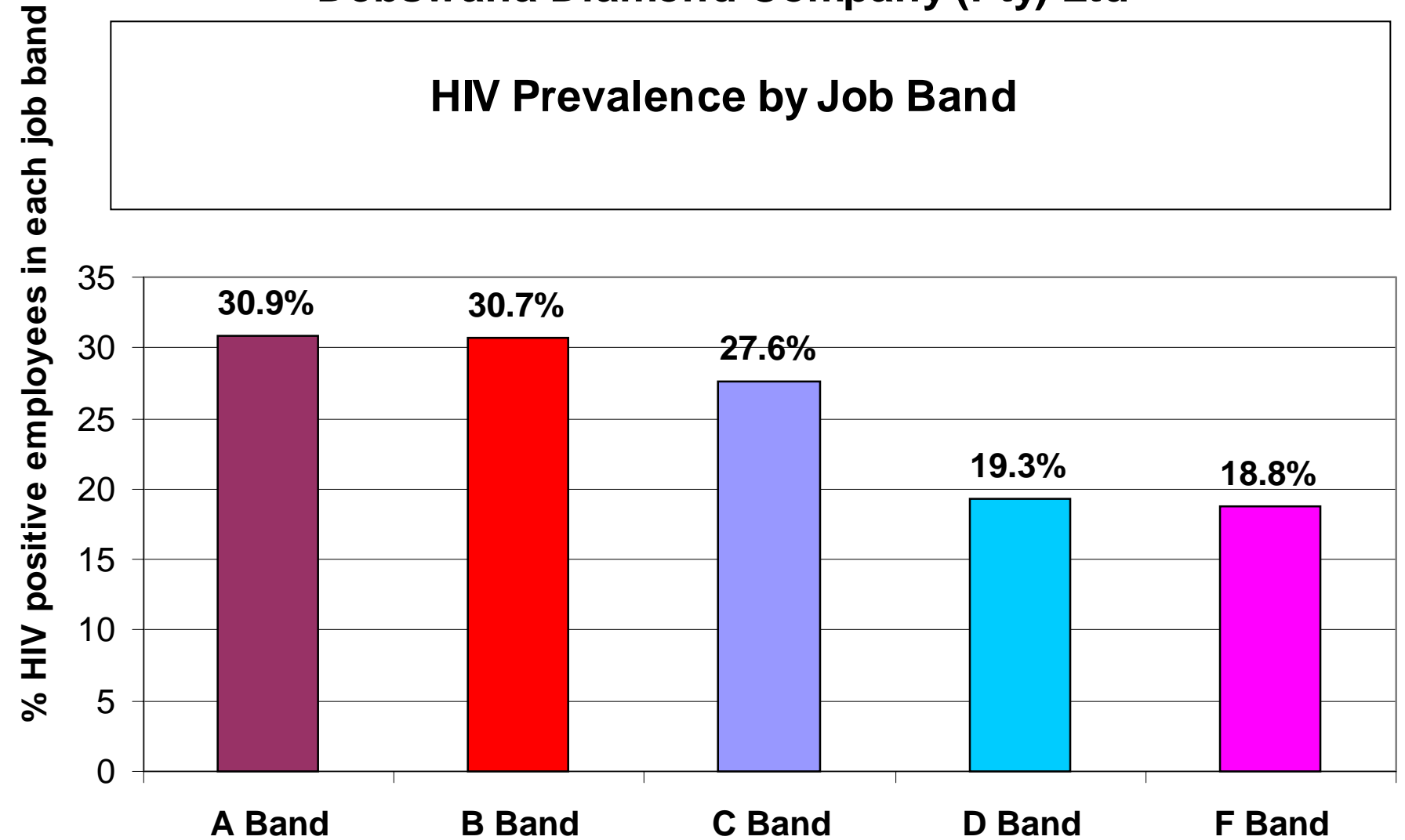


Wealth and HIV

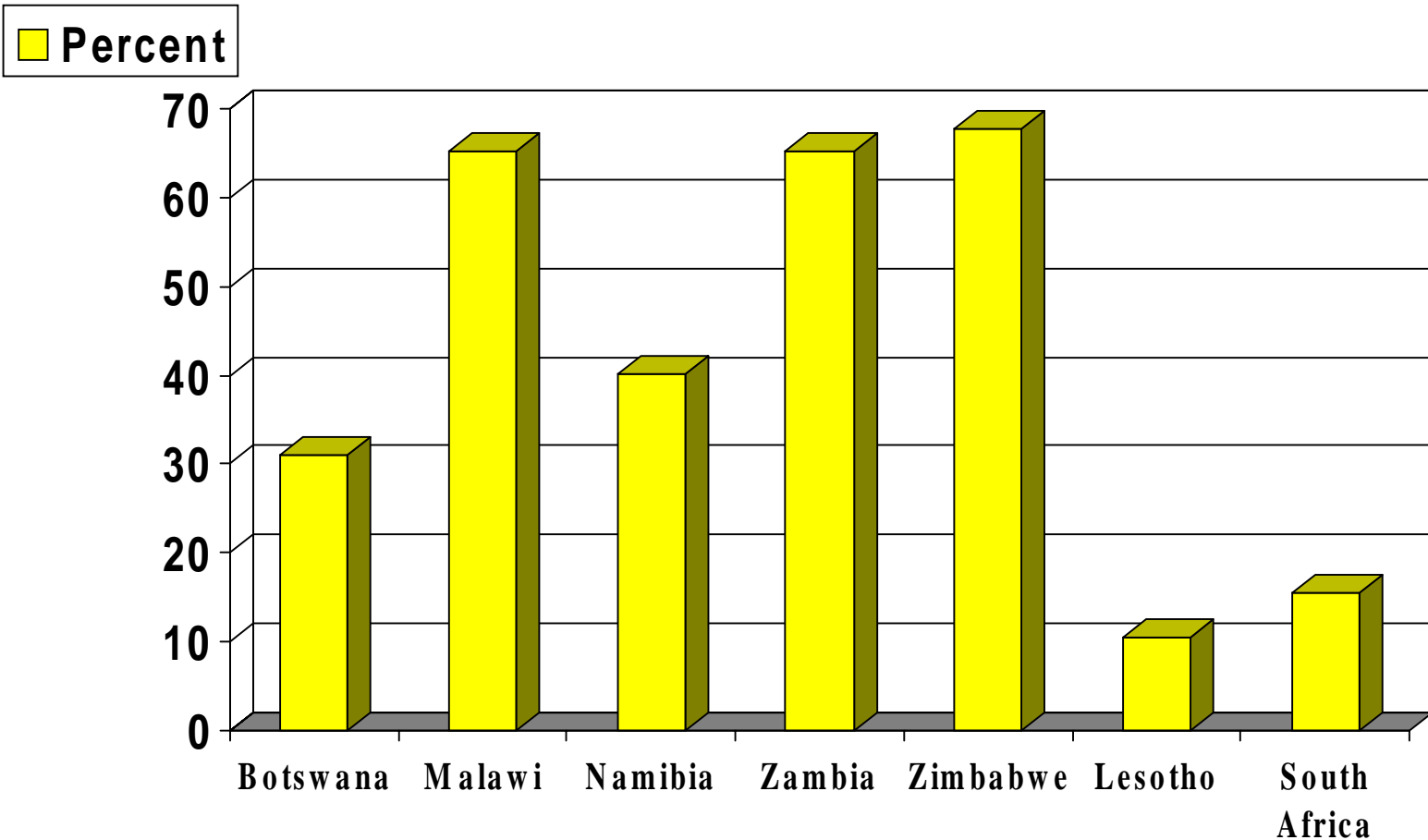


Debswana Diamond Company (Pty) Ltd

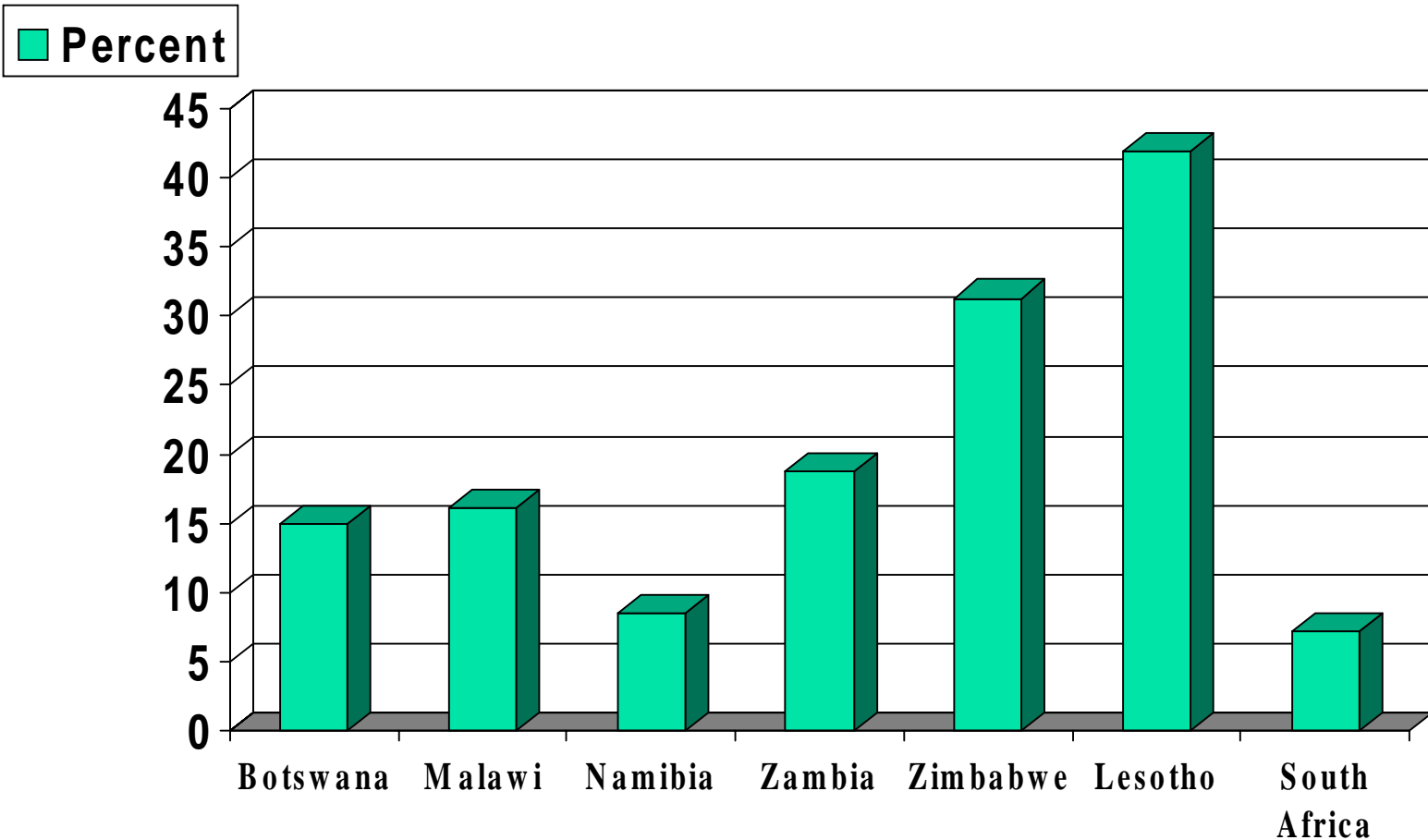
HIV Prevalence by Job Band



Percent who know a close friend or relative who died of AIDS?



Percent whose physical health reduced the amount of work they do?

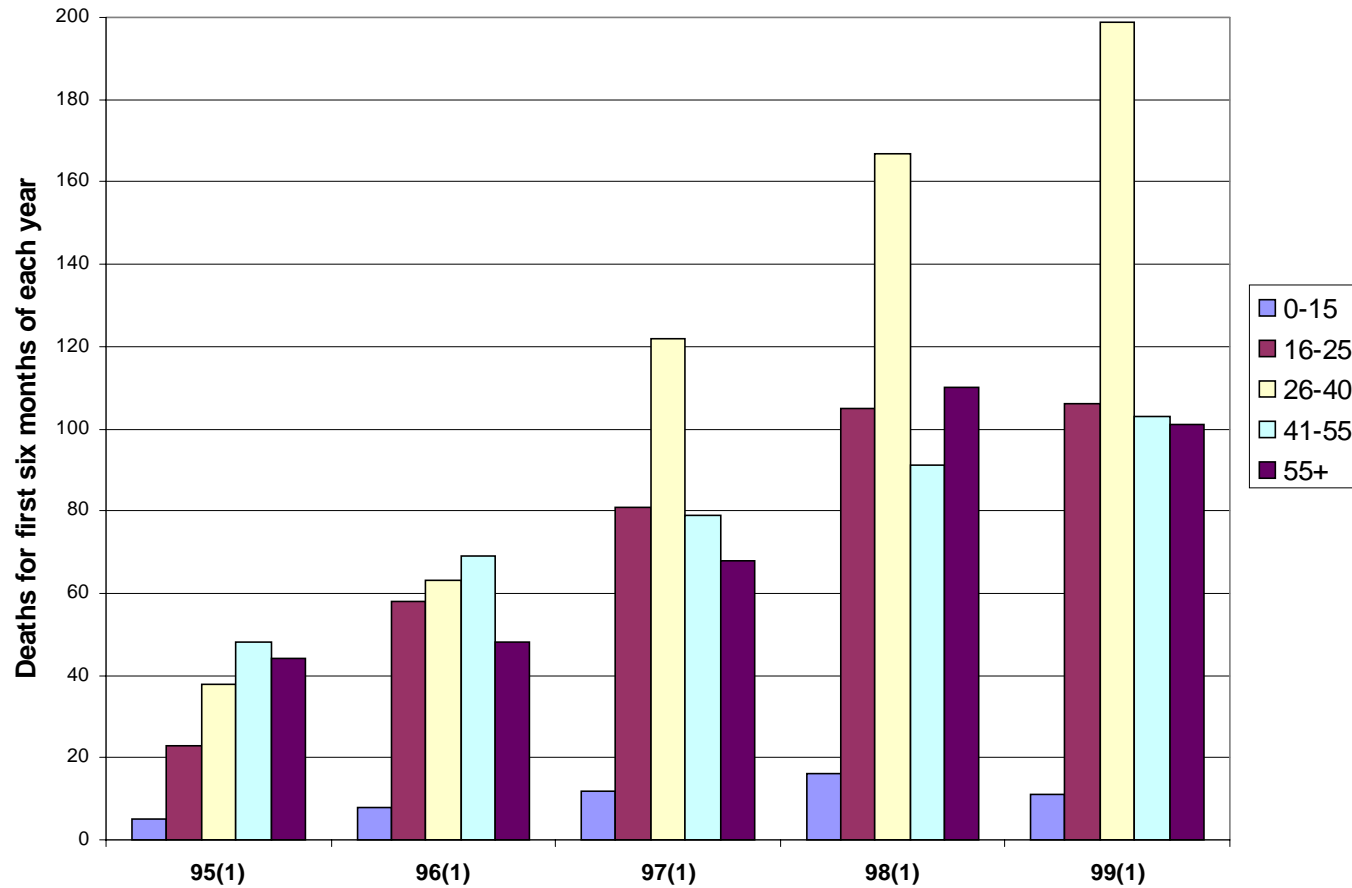


II.

What is Inescapable?

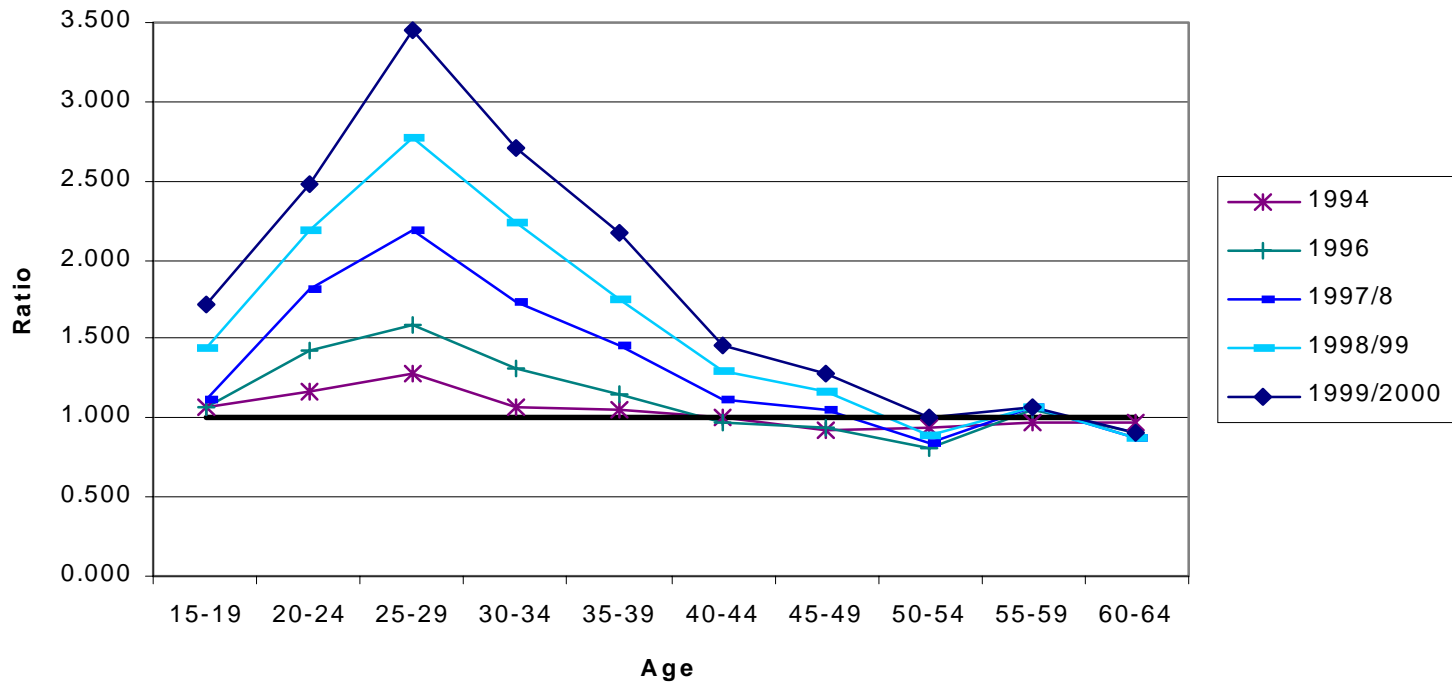
*What do we have to face, whether
we like it or not?*

Mortality in Swaziland



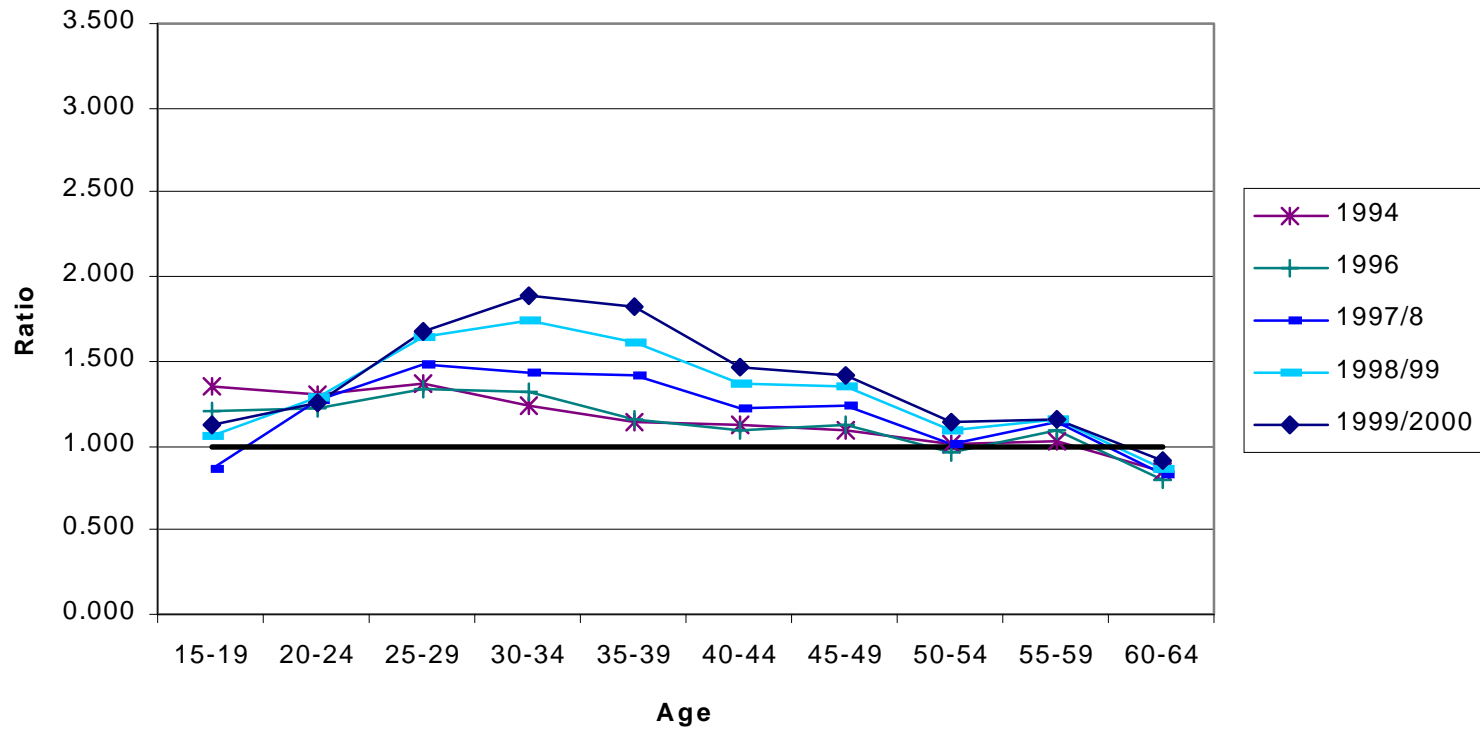
Estimated increase in adult death rates relative to the 1985 rates

Women

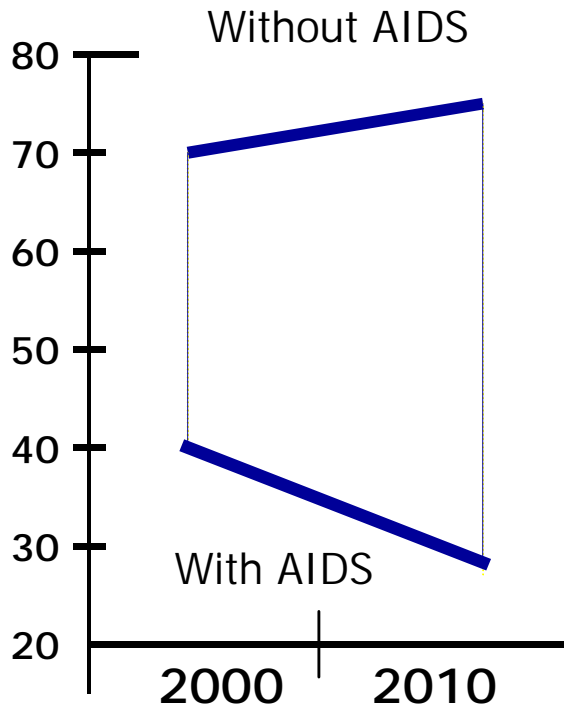


Estimated increase in adult death rates relative to the 1985 rates

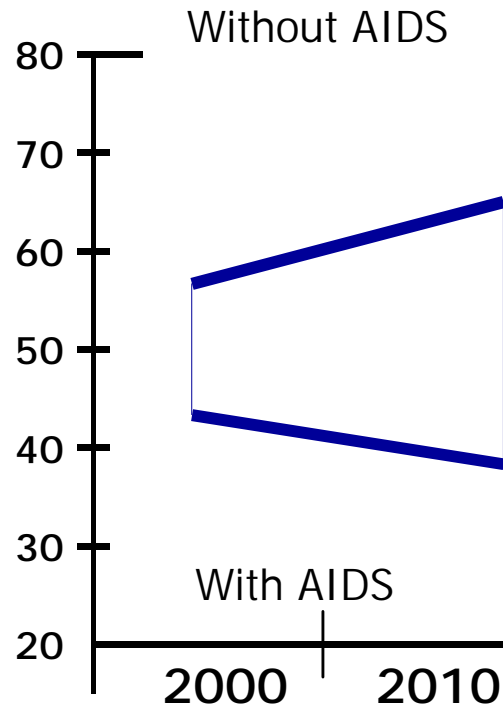
Men



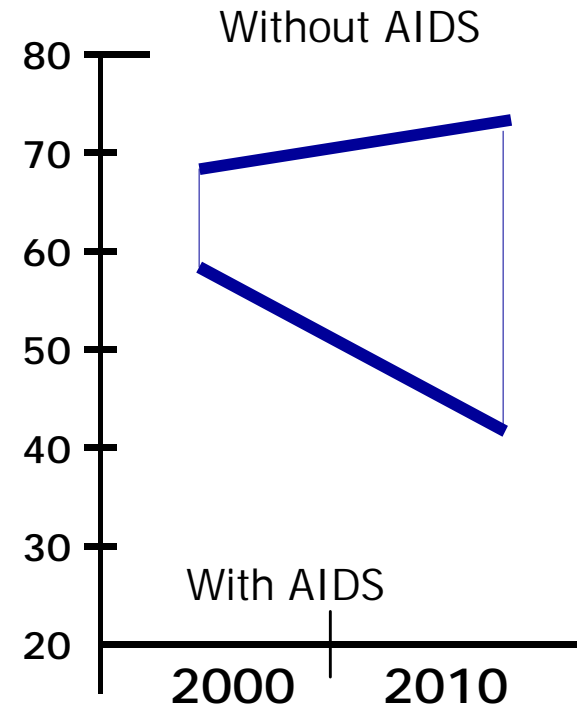
Life expectancy 2000 and 2010



Botswana



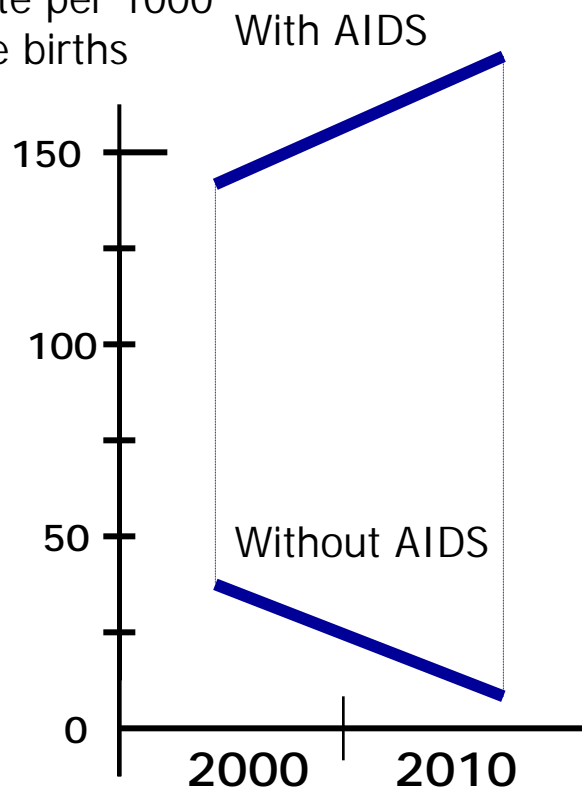
Cote d'Ivoire



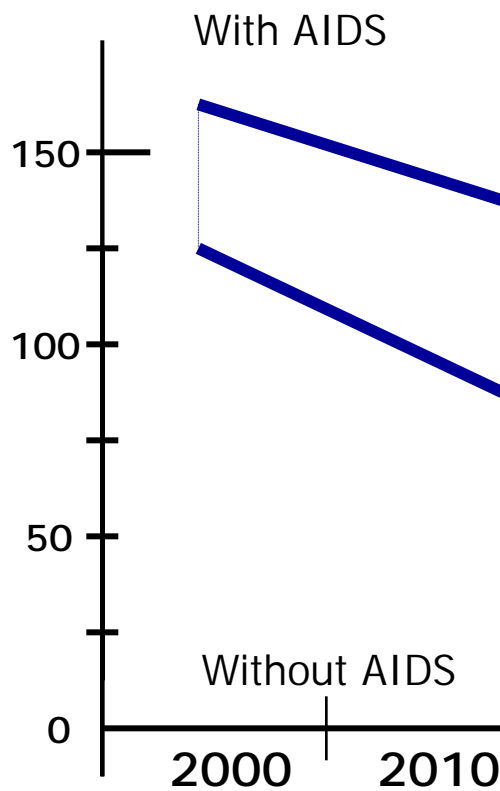
South Africa

Under Five Mortality 2000 and 2010

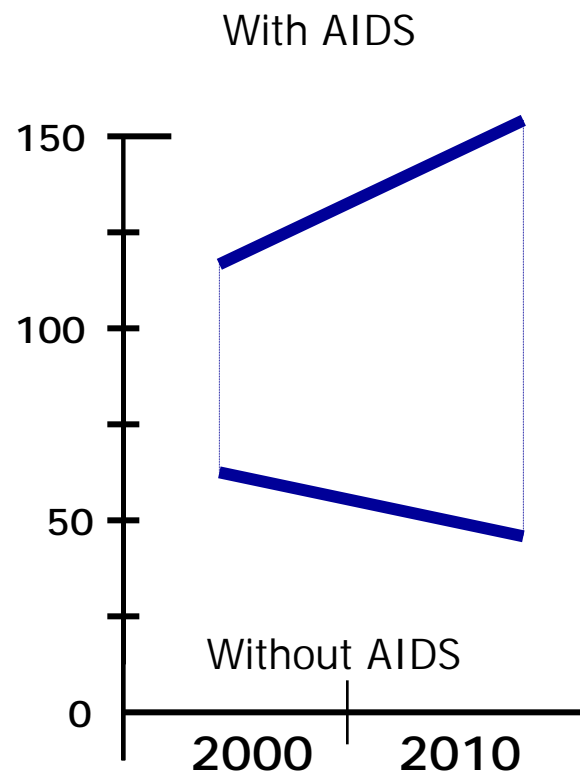
Rate per 1000
live births



Botswana

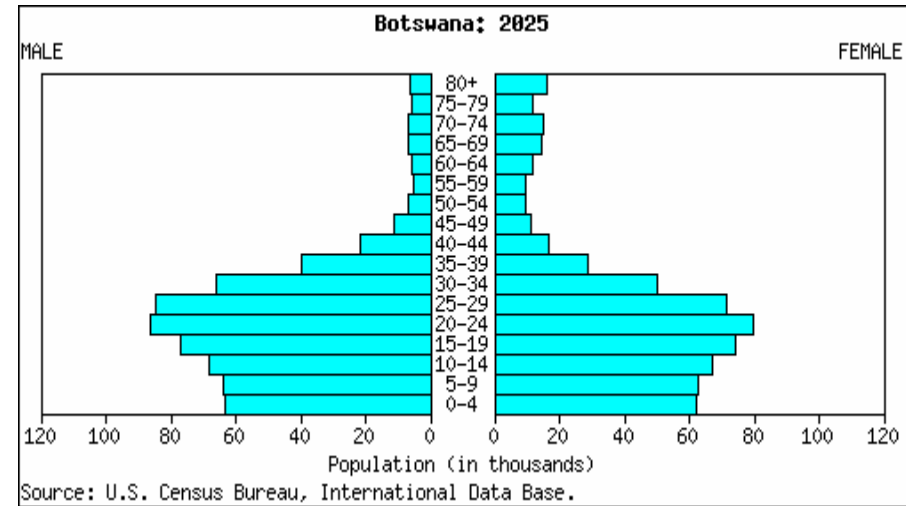
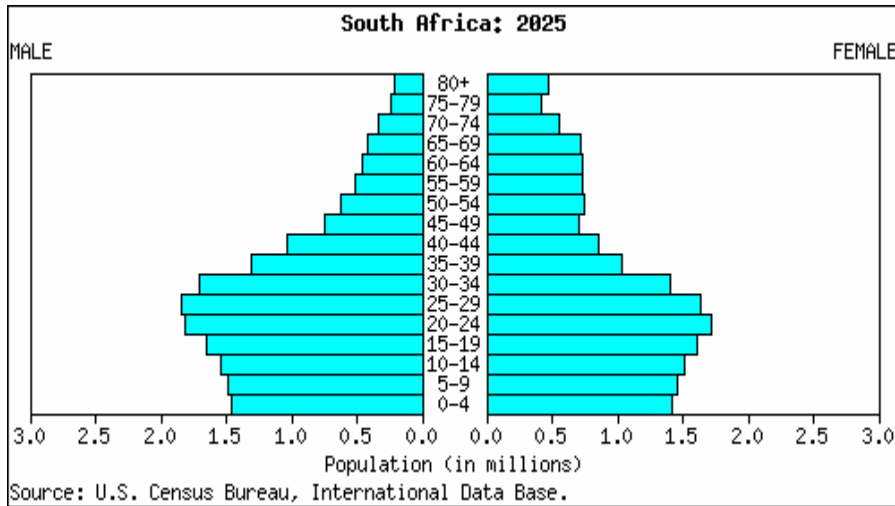
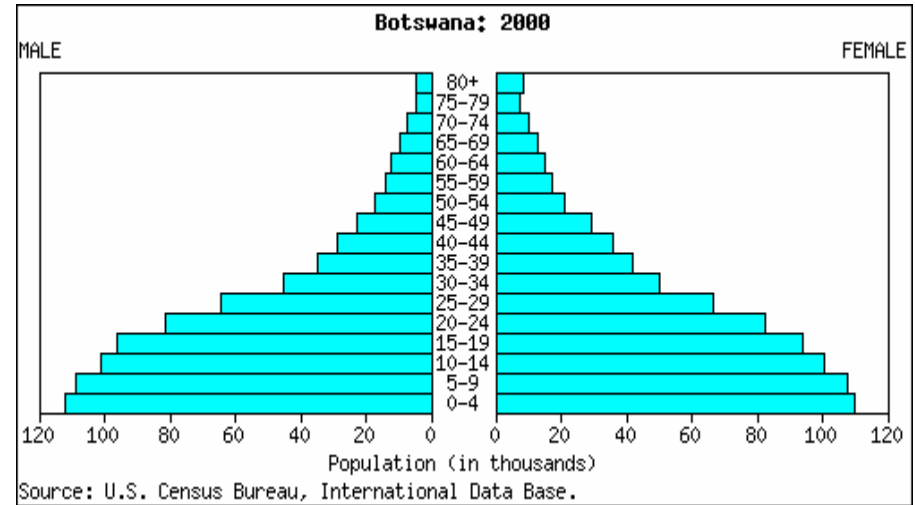
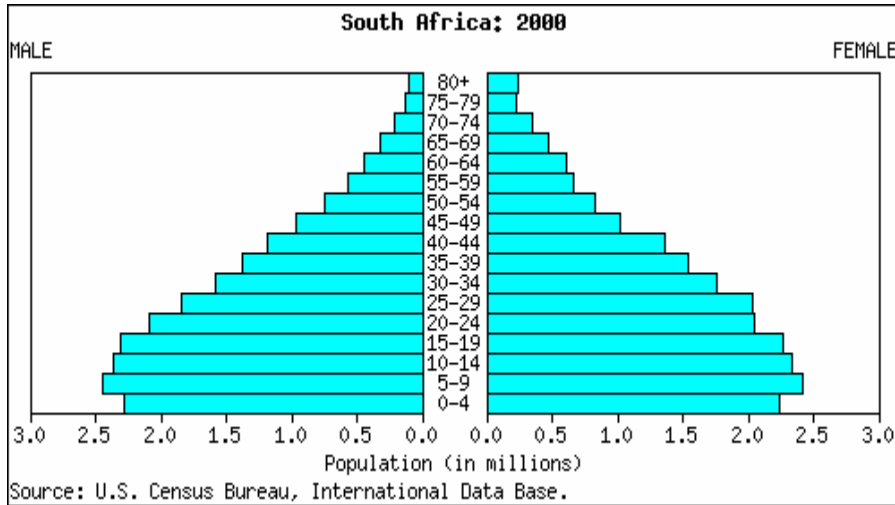


Cote d'Ivoire



South Africa

Changes in Population Structure due to AIDS – 2000-2025



South Africa

Botswana

Pathways to Economic Impact

HIV

AIDS

MORTALITY

MORBIDITY

Smaller
population

Change in
age structure

Productivity

INDIVIDUAL

HOUSEHOLD

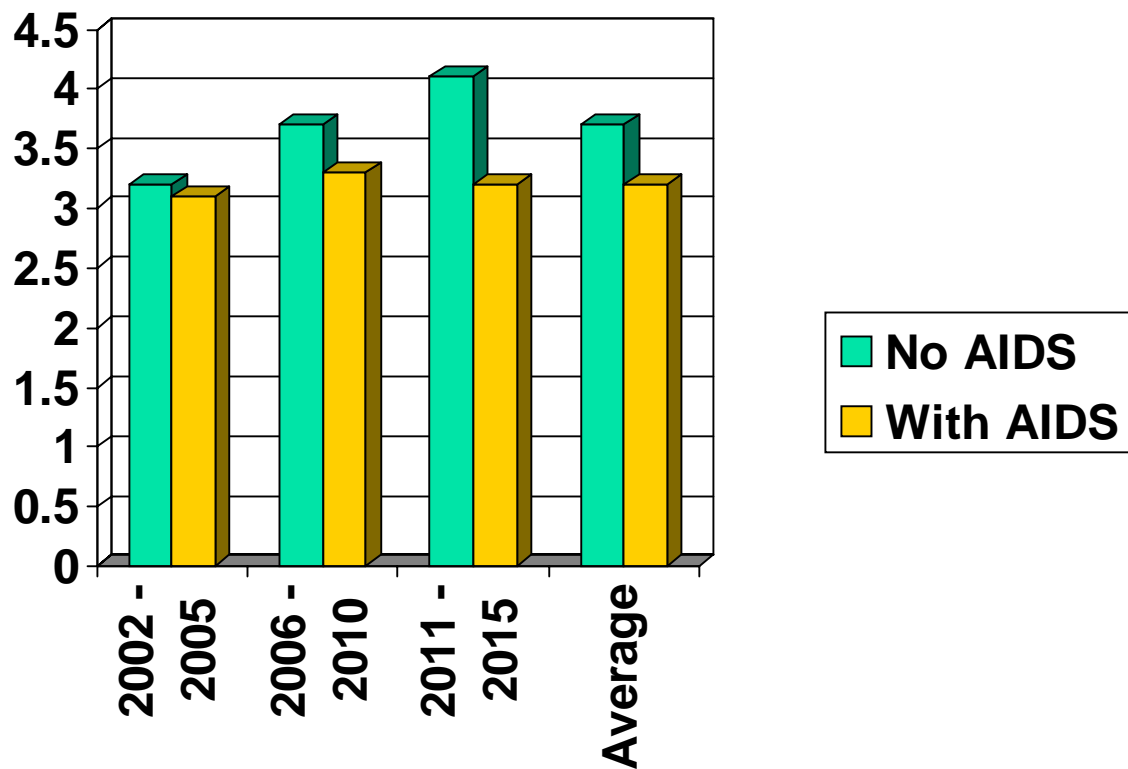
**LABOUR
MARKET**

FIRM/SECTOR

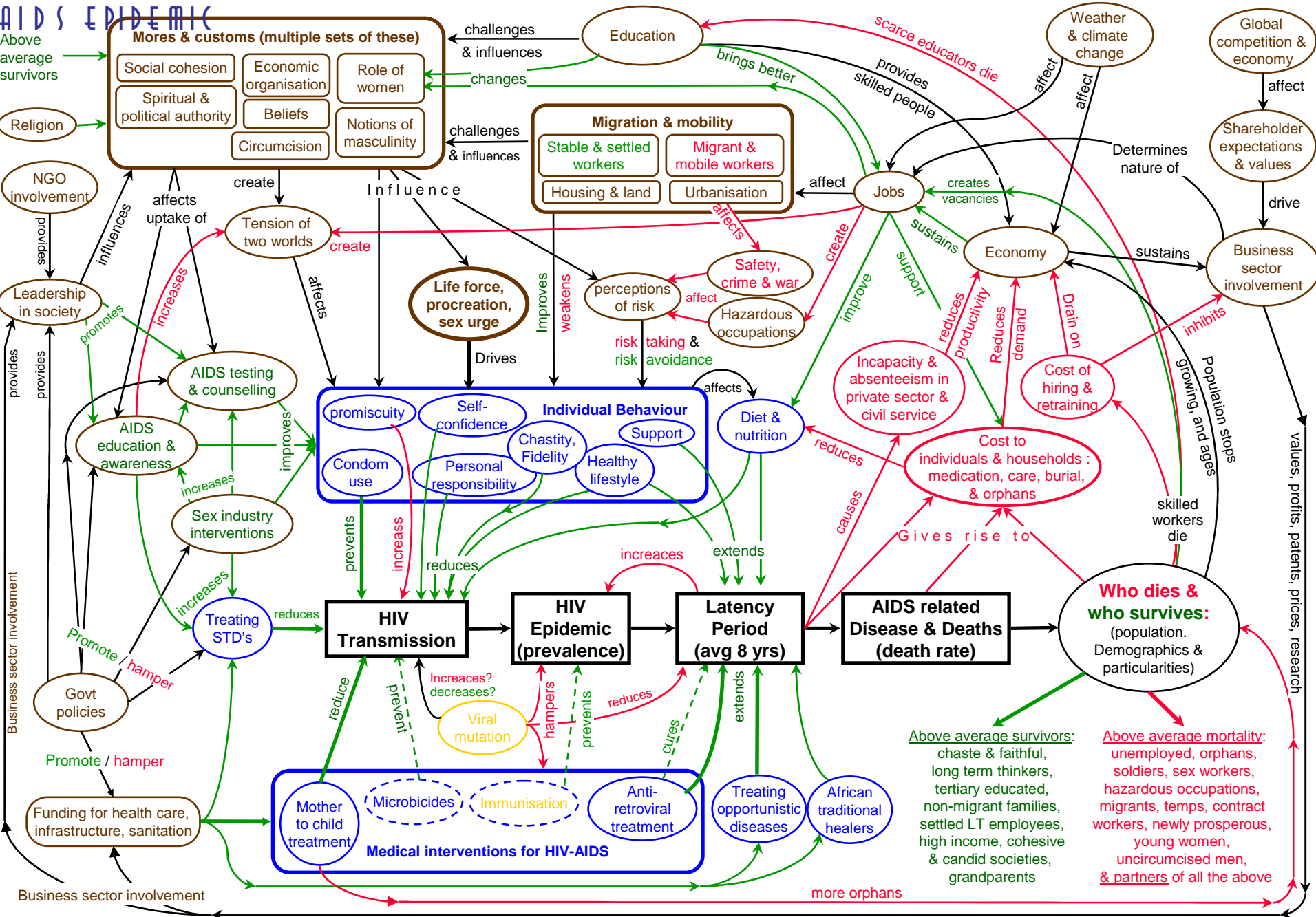
GOVERNMENT

MACRO-ECONOMY

Forecast GDP Growth 2002-15



AUTONOMY OF HIV IN COMPLEX SOCIETIES - A SYSTEMS MODEL OF THE S'N AFRICA AIDS EPIDEMIC



Conclusions re Households

- Households will try to adapt.
- New forms of household.
- Coping & distress can both be found.

Assets will be sold.

- Households → poorer
- Households → disappear

Zambia

5 year retrospective study of AIDS-affected families
(232 urban + 101 rural)

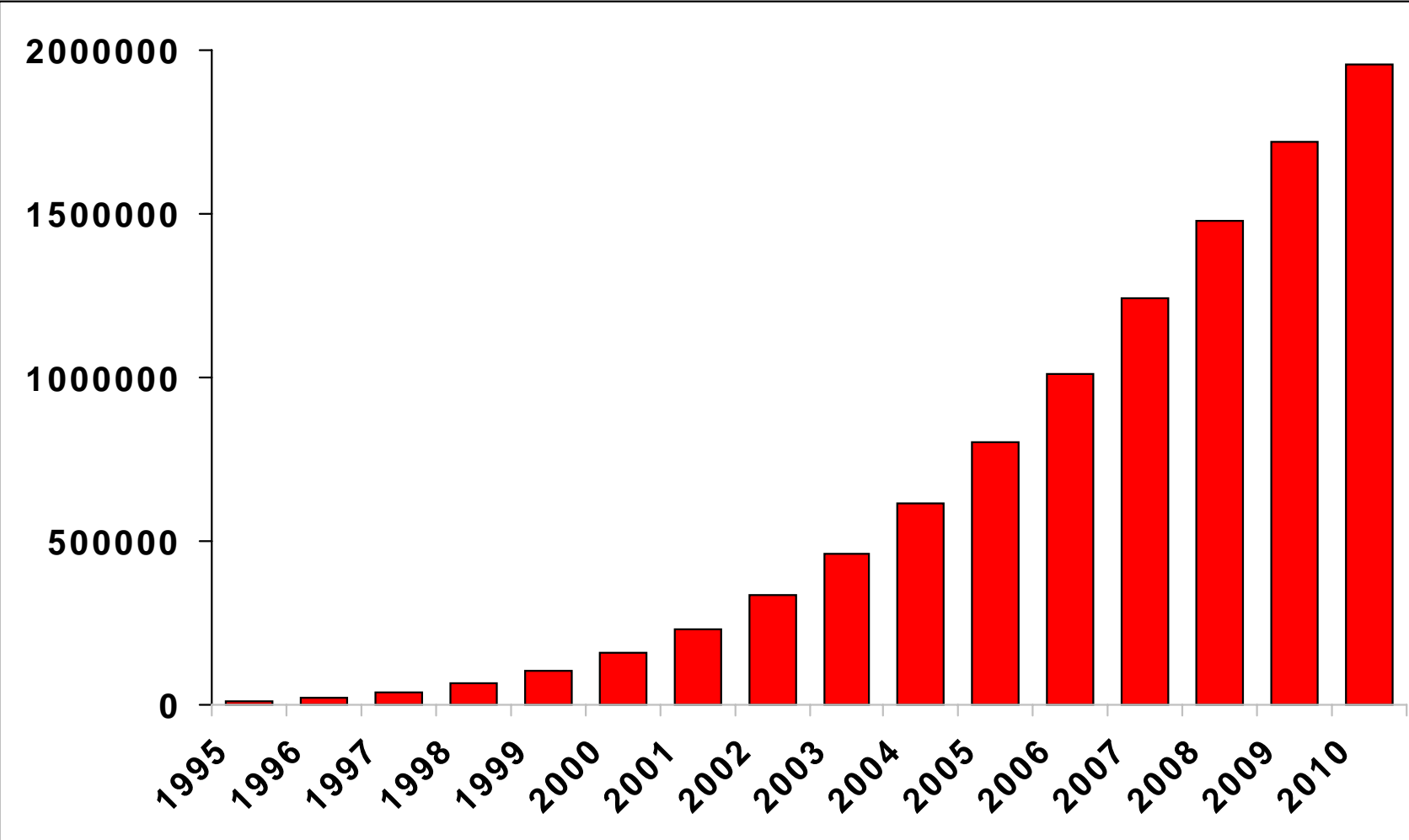
Monthly disposable income fell by >80%

Rakai, Uganda

Bicycles & radios in houses with adult AIDS death

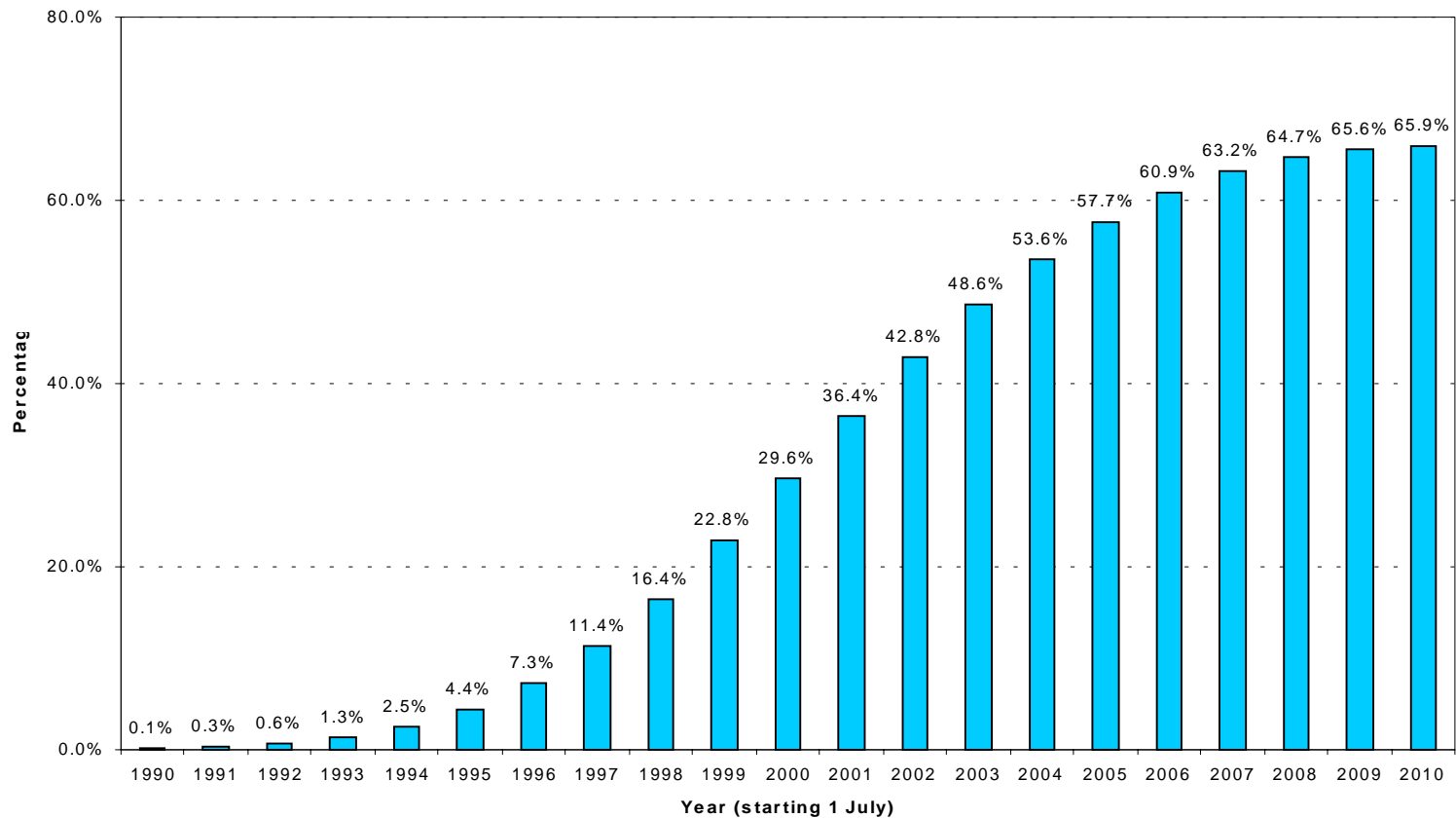
	<i>Bike</i>	<i>Radio</i>
<i>First visit</i>	39	40
<i>Last visit</i>	35	36

AIDS orphans in South Africa



AIDS deaths as a % of total mortality

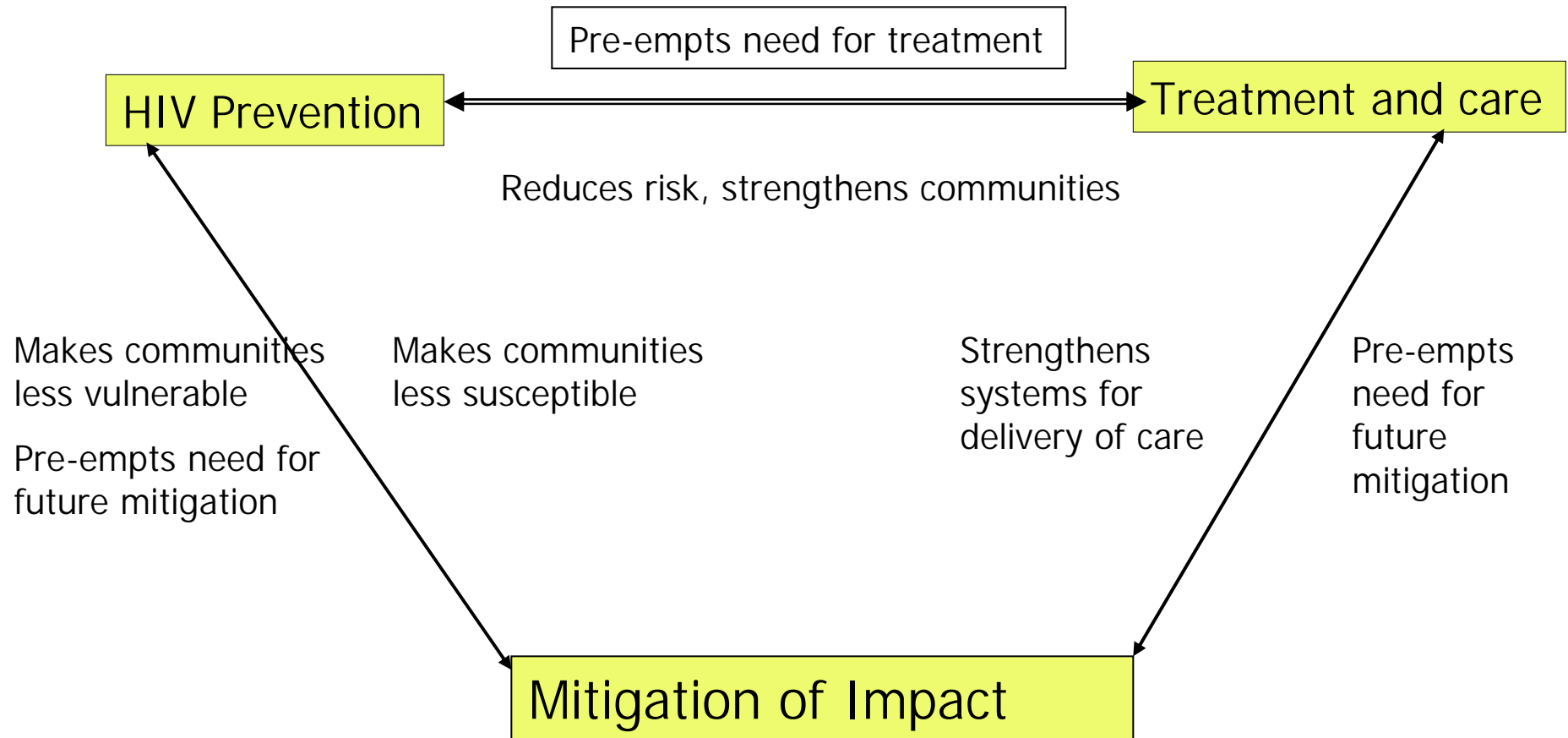
ASSA2000 model (no interventions)



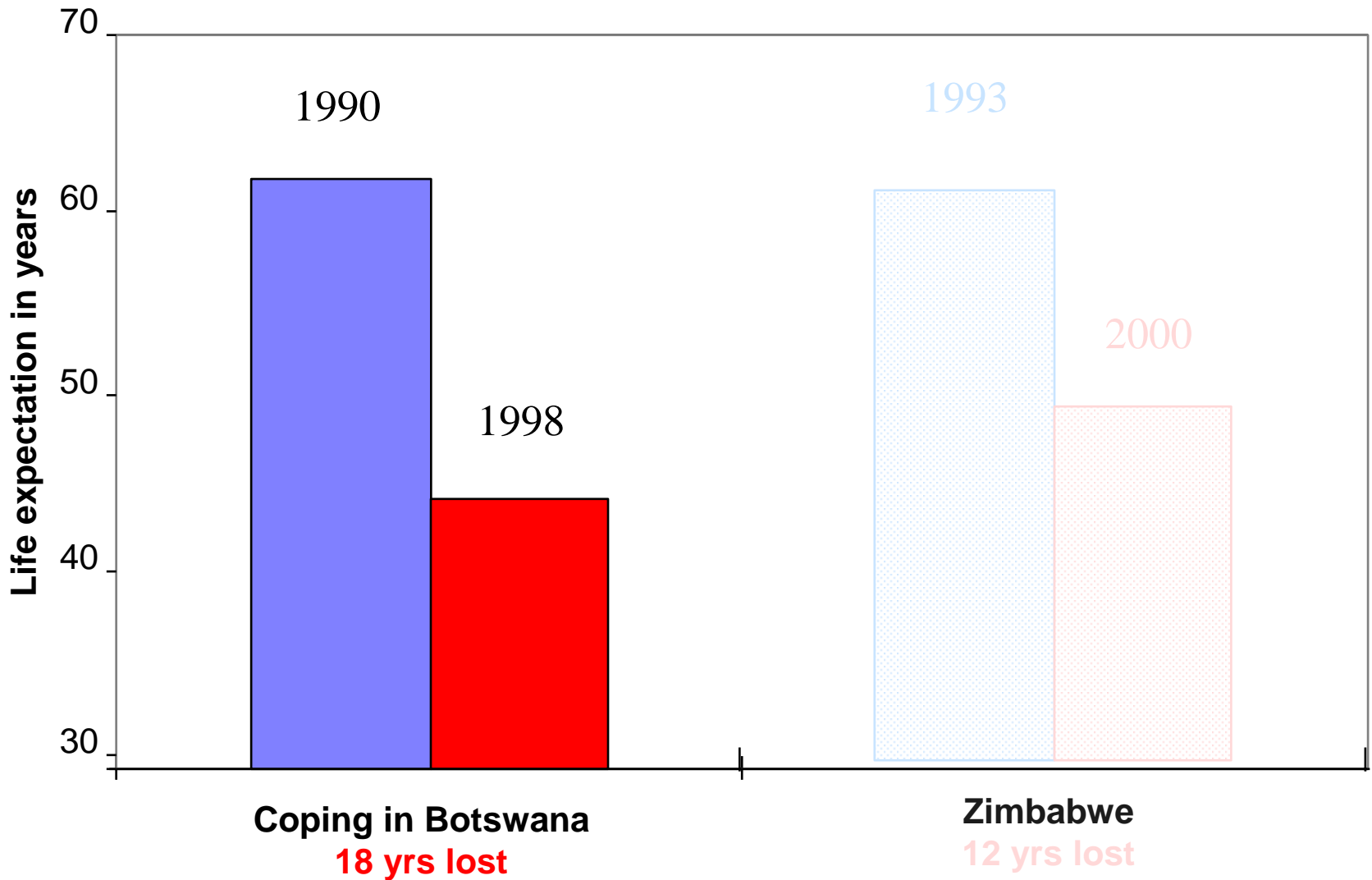
The Priorities

- prevention and mitigation for the next generation – “towards an AIDS free generation”
- opportunity and rights for women
- leadership
- Put HIV/AIDS into development and development into HIV/AIDS

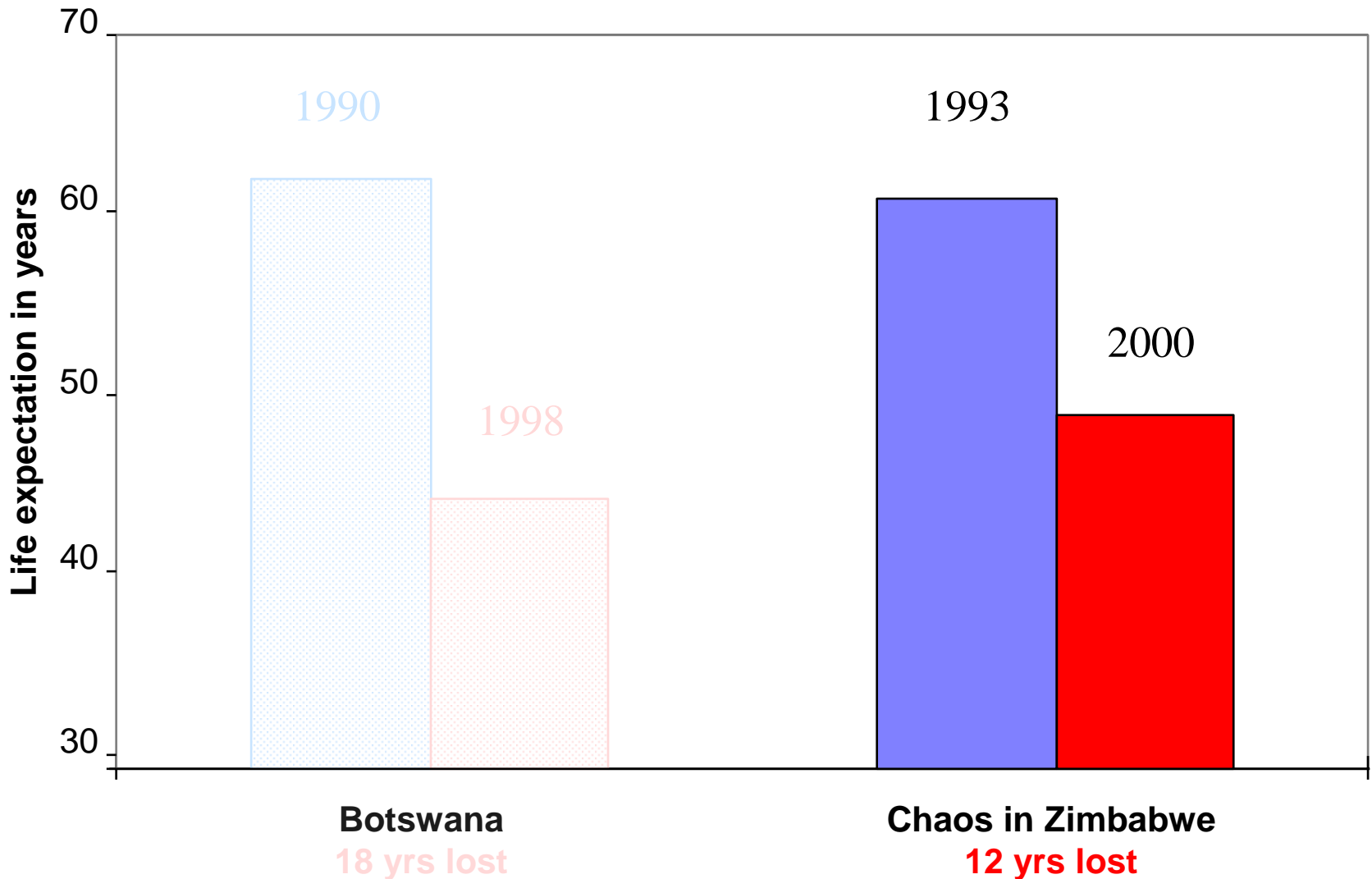
A Virtuous Circle



The Economic Costs are Bearable



The Social & Political Risks are Very High



An Action Agenda

There are no:

- Simple solutions
- Short term solutions
- Technical/medical solutions
- Imposed solutions
- Money is not the answer
- Drugs are only part of the answer
- **A multisectoral response**